

Reference No: AOB/IAASB/R&RT/2020-004

1 October 2020

Mr Willie Botha  
Technical Director  
International Auditing and Assurance Standards Board  
529 Fifth Avenue,  
New York, NY 10017  
USA

Dear Sir

**COMMENTS ON IAASB EXPOSURE DRAFT  
PROPOSED ISA 600 (REVISED)  
SPECIAL CONSIDERATIONS – AUDITS OF GROUP FINANCIAL STATEMENTS  
(INCLUDING THE WORK OF COMPONENT AUDITORS)**

We thank you for the opportunity to comment.

The Audit Oversight Board, Malaysia (AOB) supports the efforts of the International Auditing and Assurance Standards Board (IAASB) in proposing an enhanced risk-based approach which concentrates on identifying, assessing and responding to risk of material misstatements when performing audit of group financial statements.

The AOB commends the commitment of the IAASB to establish stronger linkages in the proposed ISA 600 (Revised) to other ISAs, particularly to the proposed ISA 200 (Revised), ISA 315 (Revised 2019) and ISA 330. To further enhance these efforts, the AOB is of the view that a linkage to ISA 450 *Evaluation of Misstatements Identified During the Audits* should be added to Paragraph 44 (c) of the proposed ISA 600 (Revised).

In this regard, the group engagement team should request the component auditor to communicate all the corrected misstatements which the component auditor has identified during the course of their work. The nature of the corrected misstatements and the circumstances of their occurrence may indicate existence of other misstatements in other components' financial information within the group.

**Audit Oversight Board**

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Should you require any further clarification, please do not hesitate to contact me at +603 6204 8816 or at my email [alexo@seccom.com.my](mailto:alexo@seccom.com.my).

Thank you.

Yours sincerely



**Alex Ooi Thiam Poh**  
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**Audit Oversight Board**

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